

\$600 Credit to Buy Medications



Senior Health Insurance
Information Program

Ask SHIIP

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Regional Program Manager

Q: My wife and I have \$16,000 in income. With the new changes to Medicare, will we qualify for help in paying for our prescriptions?

A: At your income level, you and your wife will qualify for assistance under the Medicare Modernization Act. From June 2004 until December 31, 2005, the Act provides \$600 each year in financial assistance to those who qualify. You will qualify individually for the \$600 credit per person if:

- ☐ You have or are eligible for Medicare Part A or Part B.
- ☐ Your annual income in 2004 is less than \$12,569 for an individual or less \$16,862 for a married couple.
- ☐ You do **not** have prescription drug coverage through Medicaid, TRICARE, VA, or insurance from a former or current employer.

Drug coverage from a Medicare Advantage Plan (also known as Medicare + Choice) or a Medigap plan H, I, or J does not affect your eligibility.

If you already have discount cards or are enrolled in other prescription assistance programs, you can still qualify for the \$600 annual credit.

If you are receiving help to pay for Medicare costs through one of the Medicare Savings Programs (QMB, SLMB, Q-1), you qualify for the \$600 credit.

Here are the steps to apply:

1. **Pick** the Medicare approved discount card that best meets your needs. You and your wife may pick different cards depending on your prescriptions. Companies will start advertising and begin enrollment after May 3, 2004.
2. **Call** the company for their application.
3. **Send** in the application to the company. You will not need to pay the enrollment fee. Medicare will pay it for you.
4. The discount card company will **verify** your eligibility with Medicare.
5. If you are eligible, they will **send** you the discount card loaded with a \$600 credit you can use toward the purchase of your prescriptions. If you do not qualify, they will return your application and you may appeal the decision.

When you purchase your medications give the pharmacist your discount card.

You will pay a co-pay of either 5% or 10% depending on your income and the rest of the cost of the medication will be deducted from your card.

Remember it does not matter what your income, anyone can sign up for a Medicare approved discount card and receive the promised discounts. Income guidelines are only for the \$600 per person credit.

If you think you qualify for the \$600, we urge you to sign up now to take advantage of the full benefit of this short-term program.

Given your income, you and your wife would most likely qualify for other assistance in paying for your prescriptions. Call SHIIP at 1-800-452-4800 to receive a free packet of information on the Medicare approved discount cards and on other ways to save money on your prescriptions. You can also call 1-800-Medicare or visit their web site at www.medicare.gov.

Sources: www.medicare.gov, www.cms.gov (Centers for Medicare and Medicaid Services), www.healthassistancepartnership.org

Address your questions to:

Ask SHIIP
311 W. Washington Street
Ste. 300
Indianapolis, IN 46204
Or www.state.in.us/doi/shiip
1-800-452-4800

SHIIP is a free, unbiased counseling program provided by the Indiana State Department of Insurance. For assistance, call your local SHIIP site to make an appointment or call the state office at 1-800-452-4800 to obtain a list of local SHIIP sites.